



FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice, request for comment.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, with revision, the Complex Institution Liquidity Monitoring Report (FR 2052a; OMB No. 7100-0361).

DATES: Comments must be submitted on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: You may submit comments, identified by *FR 2052a*, by any of the following methods:

- Agency Website: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- E-mail: regs.comments@federalreserve.gov. Include OMB number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, DC 20551.

All public comments are available from the Board's website at

<http://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper form in Room 3515, 1801 K Street, N.W. (between 18th and 19th Streets, N.W.), Washington, DC

20006 between 9:00 a.m. and 5:00 p.m. on weekdays. For security reasons, the Board requires that visitors make an appointment to inspect comments. You may do so by calling (202) 452-3684. Upon arrival, visitors will be required to present valid government-issued photo identification and to submit to security screening in order to inspect and photocopy comments. Additionally, commenters may send a copy of their comments to the OMB Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, N.W., Washington, DC 20503, or by fax to (202) 395-6974.

FOR FURTHER INFORMATION CONTACT: A copy of the PRA OMB submission, including the proposed reporting form and instructions, supporting statement, and other documentation will be placed into OMB’s public docket files, if approved. These documents will also be made available on the Board’s public website at:

<http://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears below.

Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551, (202) 452-3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC, 20551.

SUPPLEMENTARY INFORMATION: On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a

collection of information, the Board will consider all comments received from the public and other agencies.

Request for comment on information collection proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;
- b. The accuracy of the Board's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

Proposal under OMB delegated authority to extend for three years, with revision, the following information collection:

Report title: Complex Institution Monitoring Report.

Agency form number: FR 2052a.

OMB control number: 7100-0361.

Frequency: Monthly, each business day (daily).

Respondents: Certain U.S. bank holding companies, U.S. savings and loan holding companies, and foreign banking organizations with U.S. assets.

Estimated number of respondents: Monthly, 40; Daily, 12.

Estimated average hours per response: Monthly, 120; Daily, 220.

Estimated annual burden hours: 717,600.

General description of report: The FR 2052a is filed by U.S. bank holding companies (BHCs) and savings and loan holding companies (SLHCs) that are subject to the Liquidity Coverage Ratio rule (LCR rule) as a “covered depository institution holding company,” as defined in section 249.3 of the Board’s Regulation WW (12 CFR 249.3) (collectively, U.S. firms),¹ with total consolidated assets of \$50 billion or more and foreign banking organizations, as defined by section 211.21(o) of the Board’s Regulation K and including any U.S. bank holding company that is a subsidiary of a foreign banking organization (collectively, FBOs), with combined U.S. assets of \$50 billion or more.² Reporting frequency is based on the asset size of the firm and whether it has been identified as a firm supervised through the Large Institution Supervision Coordinating Committee of the Board.

The FR 2052a is used to monitor the overall liquidity profile of certain institutions supervised by the Board. These data provide detailed information on the liquidity risks within different business lines (e.g., financing of securities positions, prime brokerage activities). In particular, these data serve as part of the Board’s supervisory surveillance program in its

¹ BHCs that are subsidiaries of a foreign banking organization are excluded from the definition of “U.S. firm.”

² The Board has stated that it will not take action to require bank holding companies or savings and loan holding companies with less than \$100 billion in total consolidated assets to comply with certain existing regulatory requirements, including the requirements to report the 2052a. See Statement regarding the impact of the Economic Growth, Regulatory Relief, and Consumer Protection Act (July 6, 2018), available at <https://www.federalreserve.gov/newsevents/pressreleases/files/bcreg20180706b1.pdf>. Subsequently, the Board invited comment on a proposal that would more closely match the regulations for large banking organizations with their risk profiles, which included proposals that would affect the scope of application of the FR 2052a. The press release is available at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20181031a.htm>.

liquidity risk management area and provide timely information on firm-specific liquidity risks during periods of stress. Analyses of systemic and idiosyncratic liquidity risk issues are then used to inform the Board's supervisory processes, including the preparation of analytical reports that detail funding vulnerabilities.

Proposed revisions: On September 12, 2018, the Board temporarily approved³ certain revisions to the FR 2052a relating to the Economic, Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) and Board's related interim final rule amending the LCR Rule.⁴ As required by section 403 of EGRRCPA, the Board amended the LCR rule within 90 days of the enactment of EGRRCPA to treat investment grade municipal obligations that are liquid and readily-marketable as level 2B HQLA for purposes of their liquidity regulations. Therefore, the Board temporarily revised the asset categories in the FR 2052a to enable institutions to report certain municipal obligations that meet all the requirements for inclusion as HQLA under section 20 of the LCR rule, as amended.⁵ Specifically, the Board amended the Assets Category Table in Appendix III of the FR 2052a such that the description of the asset classification code "IG2-Q" is sufficiently inclusive of municipal obligations that may qualify as HQLA under the LCR rule. The Board is now proposing to extend for three years these temporary revisions to the FR 2052a.

Legal authorization and confidentiality: The FR 2052a report is authorized to be collected from BHCs pursuant to section 5(c) of the Bank Holding Company Act ("BHC Act"), 12 U.S.C. § 1844(c); from FBOs pursuant to section 8(a) of the International Banking Act, 12 U.S.C. § 3106(a); from certain BHCs and FBOs pursuant to section 165 of the Dodd-Frank Act, 12 U.S.C. § 5365; and from SLHCs pursuant to section 10(b)(2) and (g) of the Home Owners' Loan Act

³ See 83 FR 46163 (September 12, 2018).

⁴ See 83 FR 44451 (August 31, 2018).

⁵ See 12 CFR Part 249.20.

(“HOLA”), 12 U.S.C. § 1467a(b)(2) and (g). Section 5(c) of the BHC Act authorizes the Board to require BHCs to submit reports to the Board regarding their financial condition, and section 8(a) of the International Banking Act subjects FBOs to the provisions of the BHC Act. Section 165 of the Dodd-Frank Act requires the Board to establish prudential standards, including liquidity requirements, for certain BHCs and FBOs. Section 10(g) of HOLA authorizes the Board to collect reports from SLHCs. The FR 2052a report is mandatory for covered institutions.

The information required to be provided on the FR 2052a is collected as part of the Board’s supervisory process. Accordingly, such information is afforded confidential treatment under exemption 8 of the Freedom of Information Act (“FOIA”), which protects information from disclosure that is contained in or related to the examination or supervision of a financial institution. 5 U.S.C. § 552(b)(8). In addition, the information may also be kept confidential under exemption 4 for the FOIA, which protects trade secrets or confidential commercial or financial information. 5 U.S.C. § 552(b)(4). In limited circumstances, aggregate data for multiple respondents, which does not reveal the identity of any individual respondent, may be released.

Consultation outside the agency: The Board consulted with other U.S. regulatory authorities, including the Office of the Comptroller of the Currency and Federal Deposit Insurance Corporation, in determining to propose revisions to the FR 2052a.

Board of Governors of the Federal Reserve System, December 20, 2018

Michele Taylor Fennell,

Assistant Secretary of the Board.

Billing Code 6210-01-P

[FR Doc. 2018-28204 Filed: 12/27/2018 8:45 am; Publication Date: 12/28/2018]